



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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Heritage Bank of the South, Albany, Georgia, Assumes All of the Deposits of First Southern National Bank, Statesboro, Georgia

First Southern National Bank, Statesboro, Georgia, was closed today by the Office of the Comptroller of the Currency, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Heritage Bank of the South, Albany, Georgia, to assume all of the deposits of First Southern National Bank.

The sole branch of First Southern National Bank will reopen on Saturday as a branch of Heritage Bank of the South. Depositors of First Southern National Bank will automatically become depositors of Heritage Bank of the South. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of First Southern National Bank should continue to use their existing branch until they receive notice from Heritage Bank of the South that it has completed systems changes to allow other Heritage Bank of the South branches to process their accounts as well.

This evening and over the weekend, depositors of First Southern National Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of June 30, 2011, First Southern National Bank had approximately \$164.6 million in total assets and \$159.7 million in total deposits. Heritage Bank of the South will pay the FDIC a premium of 1.0 percent to assume all of the deposits of First Southern National Bank. In addition to assuming all of the deposits of the failed bank, Heritage Bank of the South agreed to purchase essentially all of the assets.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-138-2011

The FDIC and Heritage Bank of the South entered into a loss-share transaction on \$115.7 million of First Southern National Bank's assets. Heritage Bank of the South will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit: <http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers with questions about today's transaction should call the FDIC toll-free at 1-800-517-1846. The phone number will be operational this evening until 9:00 p.m., Eastern Daylight Time (EDT); on Saturday from 9:00 a.m. to 6:00 p.m., EDT; on Sunday from noon to 6:00 p.m., EDT; and thereafter from 8:00 a.m. to 8:00 p.m., EDT. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/firstsouthern-ga.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$39.6 million. Compared to other alternatives, Heritage Bank of the South's acquisition was the least costly resolution for the FDIC's DIF. First Southern National Bank is the 67th FDIC-insured institution to fail in the nation this year, and the seventeenth in Georgia. The last FDIC-insured institution closed in the state was High Trust Bank, Stockbridge, on July 15, 2011.
